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TITLE 511 INDIANA STATE BOARD OF EDUCATION

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**Final Rule**

LSA Document #10-502(F)

**DIGEST**

Adds [511 IAC 6.2-8](#) to define the applicability of the rule, to require the state board of education to direct the department of education to conduct quality review of schools subject to [IC 20-31-9-3](#), and to allow the department to offer to enter a memorandum of agreement to an affected school corporation. Adds [511 IAC 6.2-9](#) to define the applicability of the rule, to require the state board to hold a public hearing to hear testimony on possible intervention options, to allow the state board to implement one or more described intervention options, to describe the pupils eligible for services provided as a result of board intervention, to establish the powers of a special management team appointed by the board to operate all or part of a school, to require the school corporations to continue debt service, transportation, food service, capital projects, or other services, to establish special management team employment requirements and employee benefits, and to prohibit school corporations from taking certain adverse actions toward the special management team operation of a school. Effective 30 days after filing with the Publisher.

**[511 IAC 6.2-8](#); [511 IAC 6.2-9](#)**

SECTION 1. [511 IAC 6.2-8](#) IS ADDED TO READ AS FOLLOWS:

**Rule 8. Consequences; Quality Review****[511 IAC 6.2-8-1](#) Applicability**

Authority: [IC 20-19-2-8](#); [IC 20-31-10-1](#)

Affected: [IC 20-31-9-3](#); [IC 20-31-9-4](#)

**Sec. 1. This rule applies to schools subject to [IC 20-31-9-3](#).**

(Indiana State Board of Education; [511 IAC 6.2-8-1](#); filed Jan 28, 2011, 3:08 p.m.: [20110223-IR-511100502FRA](#))

**[511 IAC 6.2-8-2](#) Quality review**

Authority: [IC 20-19-2-8](#); [IC 20-31-10-1](#)

Affected: [IC 20-31-9-3](#); [IC 20-31-9-4](#)

**Sec. 2. (a) The board shall direct that the department conduct a quality review of a school that is subject to [IC 20-31-9-3](#).**

**(b) The board shall determine the scope of the review and appoint an expert team under [IC 20-31-9-3](#).**

(Indiana State Board of Education; [511 IAC 6.2-8-2](#); filed Jan 28, 2011, 3:08 p.m.: [20110223-IR-511100502FRA](#))

**[511 IAC 6.2-8-3](#) Memorandum of agreement**

Authority: [IC 20-19-2-8](#); [IC 20-31-10-1](#)

Affected: [IC 20-31-9-3](#); [IC 20-31-9-4](#)

**Sec. 3. (a) Subsequent to a review conducted under section 2 of this rule, the department may offer the affected school corporation the opportunity to enter into a memorandum of agreement developed by the department.**

**(b) The memorandum of agreement must include the following:**

- (1) Student outcomes the school expects to achieve.
- (2) Specific improvement in performance measures determined by the department.

(Indiana State Board of Education; [511 IAC 6.2-8-3](#); filed Jan 28, 2011, 3:08 p.m.: [20110223-IR-511100502FRA](#))

SECTION 2. [511 IAC 6.2-9](#) IS ADDED TO READ AS FOLLOWS:

## **Rule 9. Consequences; State Board Action**

### **[511 IAC 6.2-9-1](#) Applicability**

Authority: [IC 20-19-2-8](#); [IC 20-31-10-1](#)

Affected: [IC 20-31-9-3](#); [IC 20-31-9-4](#)

**Sec. 1. This rule applies to schools that become subject to state board action under [IC 20-31-9-4](#).**

(Indiana State Board of Education; [511 IAC 6.2-9-1](#); filed Jan 28, 2011, 3:08 p.m.: [20110223-IR-511100502FRA](#))

### **[511 IAC 6.2-9-2](#) Hearing**

Authority: [IC 20-19-2-8](#); [IC 20-31-10-1](#)

Affected: [IC 20-31-9-3](#); [IC 20-31-9-4](#)

**Sec. 2. The state board shall hold at least one (1) public hearing in the school corporation where the school is located to consider and hear testimony concerning options for providing a quality education to the affected students.**

(Indiana State Board of Education; [511 IAC 6.2-9-2](#); filed Jan 28, 2011, 3:08 p.m.: [20110223-IR-511100502FRA](#))

### **[511 IAC 6.2-9-3](#) Options for improvement**

Authority: [IC 20-19-2-8](#); [IC 20-31-10-1](#)

Affected: [IC 20-31-8](#); [IC 20-31-9-3](#); [IC 20-31-9-4](#)

**Sec. 3. If the state board determines, after conducting the public hearing described in section 2 of this rule, that intervention will improve the education received by the affected students, the state board may implement one (1) or more of the following options:**

- (1) Merge the school with a nearby school that is in a higher category of school improvement under [IC 20-31-8](#) and [511 IAC 6.2-6](#).
- (2) Assign a special management team to operate all or part of the school.
- (3) Implement the department's recommendations for improving the school.
- (4) Implement other options for school improvement expressed at the public hearing, including closing the school.
- (5) Revise the school's plan in any of the following areas:
  - (A) School procedures or operations.
  - (B) Professional development.
  - (C) Intervention for individual teachers or administrators.

(Indiana State Board of Education; [511 IAC 6.2-9-3](#); filed Jan 28, 2011, 3:08 p.m.: [20110223-IR-511100502FRA](#))

### **[511 IAC 6.2-9-4](#) Funding**

Authority: [IC 20-19-2-8](#); [IC 20-31-10-1](#)

Affected: [IC 20-31-8](#); [IC 20-31-9-3](#); [IC 20-31-9-4](#); [IC 20-43-4-1](#)

**Sec. 4. (a) The affected students shall remain eligible pupils under [IC 20-43-4-1](#).**

(b) The state board shall receive the recommendations of the department and determine the amounts of state support, local funds, and federal funds that are necessary to fund the option or options for improvement implemented by the state board.

(c) The department shall do the following:

(1) Withhold the amount determined under subsection (b) from state support and federal funds otherwise to be distributed to the school corporation on account of the affected students.

(2) Enter into any contracts necessary to implement the option or options for improvement implemented by the state board, including contracts with a special management team. A contract with a special management team shall include, but is not limited to, the following provisions:

(A) The length of the contract.

(B) Consideration.

(C) Performance goals, which shall not be less than those expected of a school under [IC 20-31-8](#).

(D) Cancellation procedures.

(E) Renewal procedures.

(3) Make payments under the contracts with funds withheld from the school corporation under this section.

(d) The amount withheld under this section shall not exceed the total aggregate per pupil funding for the affected students.

(Indiana State Board of Education; [511 IAC 6.2-9-4](#); filed Jan 28, 2011, 3:08 p.m.: [20110223-IR-511100502FRA](#))

#### [511 IAC 6.2-9-5](#) Special management team

Authority: [IC 20-19-2-8](#); [IC 20-31-10-1](#)

Affected: [IC 20-24-8](#); [IC 20-26-11-6](#); [IC 20-28-6-3](#); [IC 20-31-9-3](#); [IC 20-31-9-4](#); [IC 20-43-4-1](#)

Sec. 5. (a) This section applies if the state board assigns a special management team to operate all or part of an existing school subject to [IC 20-31-9-4](#).

(b) The special management team is not required to employ teachers and administrators through teacher contracts established by the state superintendent of public instruction under [IC 20-28-6-3](#).

(c) The special management team may exercise any authority granted by the state board under [IC 20-31-9](#).

(d) The special management team must accept for enrollment a student who meets all of the following:

(1) The student is enrolled in:

(A) one (1) of the grade levels served by the school, if the special management team operates the entire school; or

(B) the grade level or program operated by the special management team if the special management team operates part of the school.

(2) The student has legal settlement within attendance area of the school as defined by the school corporation at the time the school becomes subject to intervention under [IC 20-31-9-4](#).

(e) The special management team may accept for enrollment, without regard to school attendance areas defined by the school corporation, a student who meets all of the following:

(1) The student is enrolled in one (1) of the grade levels served by the school.

(2) The student has legal settlement within the school corporation.

(3) The school corporation has a policy that allows students to transfer schools within the district.

(f) The special management team may accept a student who has legal settlement outside the corporation if all of the following are true:

(1) The student is enrolled in one (1) of the grade levels served by the school.

(2) The school corporation has a policy to accept students without payment of transfer tuition as permitted by [IC 20-26-11-6](#).

A student who is accepted under this section is an eligible pupil under [IC 20-43-4-1](#).

(Indiana State Board of Education; [511 IAC 6.2-9-5](#); filed Jan 28, 2011, 3:08 p.m.: [20110223-IR-511100502FRA](#))

**[511 IAC 6.2-9-6](#)** Special management team; debt service; transportation; food service; capital projects; other services

Authority: [IC 20-19-2-8](#); [IC 20-31-10-1](#)

Affected: [IC 20-20-5](#); [IC 20-26-12](#); [IC 20-31-9-3](#); [IC 20-31-9-4](#); [IC 20-35](#)

Sec. 6. (a) The corporation shall continue debt service payments on corporation debt attributable to the school.

(b) The department, the school corporation, and the special management team shall enter into a contract specifying the length of time, level of services, and entity responsible for providing necessary services to the school and students in the school, including, but not limited to, the following services:

- (1) Transportation.
- (2) Food service.
- (3) Educational and administrative technology and technology support.
- (4) Special education services under [IC 20-35](#) and [511 IAC 7](#).
- (5) Career and technical education services under [IC 20-20](#) and [511 IAC 8](#).
- (6) Custodial, maintenance, groundskeeping, and other services.
- (7) Instructional services in a particular curriculum area.
- (8) Textbooks and supplemental materials under [IC 20-20-5](#), [IC 20-26-12](#), and [511 IAC 9](#).
- (9) Student services under [511 IAC 4](#).
- (10) Extracurricular activities.

(c) The corporation and special management team may enter into a contract or contracts for additional services.

(d) The department shall resolve disputes that arise in negotiation or execution of the contract under subsection (b). The decision of the department shall be the final administrative decision.

(Indiana State Board of Education; [511 IAC 6.2-9-6](#); filed Jan 28, 2011, 3:08 p.m.: [20110223-IR-511100502FRA](#))

**[511 IAC 6.2-9-7](#)** Special management team; employment; employee benefits

Authority: [IC 20-19-2-8](#); [IC 20-31-10-1](#)

Affected: [IC 5-10.3](#); [IC 5-10.4](#); [IC 20-31-9-3](#); [IC 20-31-9-4](#)

Sec. 7. (a) The special management team shall employ teachers, other school personnel, and independent contractors that are:

- (1) described in the contract between the department and the special management team; and
- (2) necessary for the special management team to fulfill its responsibilities under this rule.

(b) Personnel employed by the special management team under this section are entitled to participate in insurance benefits offered by the special management team or offered to state employees.

(c) Personnel employed by the special management team are entitled to participate in:

- (1) a retirement program offered by the special management team;
- (2) the state teachers' retirement fund created by [IC 5-10.4](#); or
- (3) the public employees' retirement fund created by [IC 5-10.3](#).

(Indiana State Board of Education; [511 IAC 6.2-9-7](#); filed Jan 28, 2011, 3:08 p.m.: [20110223-IR-511100502FRA](#))

**511 IAC 6.2-9-8** Actions adverse to special management team; real and personal property; failure to fulfill requirements of rule

Authority: [IC 20-19-2-8](#); [IC 20-31-10-1](#)

Affected: [IC 20-31-9-3](#); [IC 20-31-9-4](#)

**Sec. 8. (a)** The school corporation shall take no action adverse to the special management team's operation of the school.

**(b)** The school corporation shall take no action to dispose of or cloud the title of the real property on which the school is located.

**(c)** The school corporation shall not remove or dispose of personal property located in the school or, if located outside the school, assigned to the school.

**(d)** If the state board determines that the school corporation has:

**(1)** taken an action or actions prohibited by subsections (a) through (c); or

**(2)** refused without just cause to enter into the contract required under section 6(b) of this rule; the board may order the department to withhold additional state funds otherwise to be distributed to the school corporation in order to permit the special management team to operate the school notwithstanding the prohibited or refused action.

(Indiana State Board of Education; [511 IAC 6.2-9-8](#); filed Jan 28, 2011, 3:08 p.m.: [20110223-IR-511100502FRA](#))

**511 IAC 6.2-9-9** Special management team; redistricting; assignment of students

Authority: [IC 20-19-2-8](#); [IC 20-31-10-1](#)

Affected: [IC 20-31-9-3](#); [IC 20-31-9-4](#)

**Sec. 9. (a)** The school corporation shall not, without the agreement of the special management team, change the assignment of students to schools in the school corporation in such a way that the number or grade level or levels of students assigned to the school are changed significantly.

**(b)** If the special management team agrees to accept additional students as permitted in this rule, the state board, on application of the special management team, may determine that the special management team needs additional funds to operate the school.

**(c)** The department shall withhold the amount determined under subsection (b) from state support and federal funds otherwise to be distributed to the school corporation.

(Indiana State Board of Education; [511 IAC 6.2-9-9](#); filed Jan 28, 2011, 3:08 p.m.: [20110223-IR-511100502FRA](#))

**511 IAC 6.2-9-10** Special management team; open meeting; public records; state board of accounts

Authority: [IC 20-19-2-8](#); [IC 20-31-10-1](#)

Affected: [IC 20-31-9-3](#); [IC 20-31-9-4](#)

**Sec. 10. (a)** The special management team shall comply with [IC 5-14-1.5](#), the open door law, and [IC 5-14-3](#), access to public records.

**(b)** The special management team shall comply with the financial reporting requirements established by the state board of accounts under [IC 5-11-1](#).

(Indiana State Board of Education; [511 IAC 6.2-9-10](#); filed Jan 28, 2011, 3:08 p.m.: [20110223-IR-511100502FRA](#))

NOTE: Agency cited as [511 IAC 6.2-9-11](#), which was renumbered by the Publisher as [511 IAC 6.2-9-10](#).

*LSA Document #10-502(F)*

*Notice of Intent:* [20100811-IR-511100502NIA](#)

*Proposed Rule:* [20101006-IR-511100502PRA](#)

*Hearing Held:* October 29, 2010

*Approved by Attorney General:* January 10, 2011

*Approved by Governor:* January 24, 2011

*Filed with Publisher:* January 28, 2011, 3:08 p.m.

*Documents Incorporated by Reference:* None Received by Publisher

*Small Business Regulatory Coordinator:* Jeffery P. Zaring, State Board Administrator, Indiana Department of Education, Room 229, State House, Indianapolis, IN 46204, (317) 232-6622, [jzaring@doe.in.gov](mailto:jzaring@doe.in.gov)

*Posted:* 02/23/2011 by Legislative Services Agency

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